

Message Text

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S E C R E T SECTION 1 OF 2 RANGOON 2868

CINCPAC FOR POLAD

E.O. 11652: GDS
TAGS: PINT, PINS, BM
SUBJ: POST-COUP PLOT POLITICAL DEVELOPMENTS -- AN ASSESSMENT

REF: (A) RANGOON 2551, (B) RANGOON 2681, (C) RANGOON 2823

1. SUMMARY: THE NE WIN REGIME HAS BEEN WEAKENED BOTH BY THE COUP PLOT AND BY ITS OWN OVER-REACTION TO IT; DISSIDENT GROUPS HAVE BEEN ENCOURAGED AND MAY TRY TO EXPLOIT THE SITUATION; AND POORLY-TIMED PUBLICITY ABOUT THE ARREST LAST SPRING OF A BCP-ORIENTED GROUP IN RANGOON HAS TENDED TO REINFORCE UNDULY THE IMPRESSION OF A GUB BELEAGURED BY ENEMIES ON ALL SIDES. NEVERTHELESS, A DEGREE OF MODERATION SEEMS TO BE RETURNING AND WE DOUBT THE WEAKNESS WILL BE FATAL. THOUGH FORMER BRIGADIER KYAW ZAW'S DEFECTION SHOULD GIVE THE BCP A PSYCHOLOGICAL BOOST, IT IS UNLIKELY TO RESULT IN SIGNIFICANTLY INCREASED SUPPORT FOR THE COMMUNISTS WITHIN THE ARMY OR ELSEWHERE. WE ARE BEGINNING TO CATCH GLIMPSES OF A POSSIBLE SILVER LINING: BECAUSE THE MOTIVATION OF THE COUP PLOTTERS, AND POSSIBLY KYAW ZAW AS WELL, WAS RELATED TO BURMA'S ECONOMIC PLIGHT, THE VISIBLE POLITICAL CONTENT THIS GIVES TO LONGSTANDING ECONOMIC DESPERATION MAY JUST POSSIBLY HAVE FINALLY MOVED NE WIN

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A STEP CLOSER TO THE ADOPTION OF MORE PRAGMATIC ECONOMIC

POLICIES. IN SPITE OF THE POLITICAL TURMOIL OF THE LAST SIX WEEKS, THE PRESIDENT HAS GONE OFF ON A TRIP TO EUROPE. END SUMMARY.

2. THERE HAVE BEEN SEVERAL SIGNIFICANT POLITICAL DEVELOPMENTS IN THE WAKE OF THE ABORTED CAPTAINS' COUP PLOT:

A. GUB OVER-REACTION -- THE GUB LEADERSHIP AND THE SECURITY SERVICES CLEARLY OVER-REACTED TO THE PLOT, WITH SUCH MEASURES AS THE DETENTION FOR VARYING PERIODS OF TIME OF SOME 300 ARMY OFFICERS, ROTATION OF TROOP UNITS, A NEW LOYALTY OATH REQUIREMENT, AND A GENERALLY HEAVY-HANDED APPROACH TO FOLLOW-UP INVESTIGATIONS AND THE IMPLEMENTATION OF MORE VIGOROUS SECURITY MEASURES.

B. GRENADE INCIDENTS - THERE WAS A SPATE OF DESTRUCTIVE AND UNSOLVED GRENADE INCIDENTS IN RANGOON FOR WHICH THE REGIMES BLAMES RIGHTIST "EXILE ELEMENTS," I.E. THE PPP, SINCE THE PPP HAS BEEN RESPONSIBLE FOR SIMILAR INCIDENTS IN THE PAST.

C. THE "CLANDESTINE GROUP OF BCP LINEAGE" -- THE PRESS GAVE CONSIDERABLE PUBLICITY ON AUGUST 8 TO THE ARREST OF 47 MEMBERS OF A BCP-ORIENTED GROUP IN RANGOON WHICH HAD PRODUCED ANTI-GOVERNMENT PAMPHLETS AND WHICH HAD BEEN TO SOME DEGREE ASSOCIATED WITH THE STUDENT DEMONSTRATIONS LAST MARCH. ALTHOUGH MOST OF THESE ARRESTS WERE ACTUALLY MADE IN APRIL AND MAY, THE PRESS TREATMENT OF THE STORY AND THE TIMING OF THE RELEASE MADE IT APPEAR THAT THIS WAS A MORE RECENT DEVELOPMENT, PERHAPS ASSOCIATED WITH THE INCREASED "REVOLUTIONARY VIGILANCE" CALLED FOR IN THE AFTERMATH OF THE COUP PLOT.

D. KYAW ZAW'S DEFECTION -- FORMER BRIGADIER KYAW ZAW, ONE OF THE "THIRTY COMRADES" (NOW APOTHEOSIZED AS FATHERS OF BURMA'S "REVOLUTION") AND UNTIL HIS DISMISSAL IN 1957 A VERY POPULAR AND POWERFUL ARMY LEADER, DISAPPEARED FROM HIS RANGOON HOME AND JOINED THE BCP INSURGENTS. HE RECORDED A LENGTHY STATEMENT, BROADCAST AUGUST 10 ON THE BCP RADIO, WHICH SEVERELY CRITICIZED THE REGIME'S MIS-SECRET

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MANAGEMENT OF THE ECONOMY AND ITS REPRESSION OF STUDENTS AND WORKERS, AND CALLED ON THE ARMY AND PEOPLE TO JOIN IN THE BCP'S ARMED STRUGGLE.

E. NE WIN-TRAGER CONVERSATIONS -- IN TWO LENGTHY CONVERSATIONS, NEW WIN CONVINCED VISITING AMERICAN PROFESSOR FRANK TRAGER, AN OLD FRIEND, THAT HE REALLY SEES THE NEED TO MAKE GUB ECONOMIC POLICY CONSIDERABLY MORE PRAGMATIC.

(SEE REF C.)

F. NE WIN'S TRIP -- NE WIN LEFT AUGUST 16 FOR ATRIP TO EUROPE. WE ARE NOT YET SURE OF THE PURPOSE OF THE VISIT, BUT IT IS APPARENTLY GOING TO BE A RATHER LENGTHY, AND ACCORDING TO A SOVIET EMBASSY SOURCE MAY INCLUDE A STOP IN MOSCOW.

3. THERE ARE SEVERAL POSSIBLE INTERPRETATIONS FOR ALL OF THESE DEVELOPMENTS, WHAT LIES BEHIND THEM AND WHAT THEY IMPLY FOR THE FUTURE. RECOGNIZING THAT MUCH OF THIS IS VERY SPECULATIVE, WE OFFER THE FOLLOWING COMMENTS:

A. OVER-REACTION -- THROUGH ITS HEAVY-HANDED TACTICS THE REGIME SEEMS TO HAVE ALIENATED A LARGE NUMBER OF MILITARY OFFICERS, PARTICULARLY YOUNGER OFFICERS, AND RISKS LONG-TERM WEAKENING OF THE ARMY IN TERMS OF BOTH ITS EFFICIENCY AND ITS RELIABILITY. TO THE EXTENT THE OVER-REACTION CONTINUES, IT COULD EVEN SHIFT THE POWER BASE OF THE REGIME FROM THE ARMY TO THE SECURITY SERVICES; THIS HAS PROBABLY ALREADY HAPPENED TO SOME DEGREE. IN TURN, SUCH A NARROWING OF THE POWER BASE COULD SERIOUSLY SHORTEN THE REGIME'S LIFE EXPECTANCY. MOREOVER, THE OVER-REACTION EXACERBATES THE GENERATION GAP OF WHICH THE COUP PLOT WAS IN PART A MANIFESTATION; TIME IS RUNNING OUT FOR THE WHOLE PRESENT RULING ELITE: FOR NE WIN AND HIS AGING MILITARY COMRADES WHO ROSE TO POWER IN WORLD WAR II AND THE INDEPENDENCE STRUGGLE. GUB OVER-REACTION MAKES THE COUP GROUP INTO A SYMBOL OF THE REGIME'S YOUNGER RIVALS.

HOWEVER, IT NOW APPEARS THAT COOLER VOICES WITHIN THE GUB ARE BEING HEEDED AND THE OVER-REACTION IS WINDING DOWN. IF THIS IS THE CASE AND RELATIVE MODERATION PREVAILS IN
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THE COMING MONTHS, EVEN THOUGH THE REGIME HAS PROBABLY BEEN WEAKENED SIGNIFICANTLY, WE BELIEVE ITS CHANCES FOR SURVIVAL ARE GOOD UNLESS THE ODDS ARE AGAIN CHANGED, E. G., BY THE DEATH OF NE WIN.

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S E C R E T SECTION 2 OF 2 RANGOON 2868

CINCPAC FOR POLAD

B. GRENADE INCIDENTS -- WHILE NOT PARTICULARLY IMPORTANT THEMSELVES, THE GRENADE INCIDENTS COULD BE INTERPRETED AS A SIGN THAT THE PPP AND OTHER DISSIDENT ELEMENTS SENSE THAT THE REGIME'S GRIP MAY BE WEAKENING; THEY COULD TRY TO EXPLOIT THE SITUATION BY STEPPING UP THEIR ATTACKS, THUS PROVOKING MORE GUB OVER-REACTION AND REPRESSIVENESS, WHICH WOULD IN TURN ALIENATE STILL MORE PEOPLE AND FURTHER WEAKEN THE REGIME, ETC. ONE INTERESTING ASPECT OF THE INCIDENTS IS THAT MANY BURMESE BELIEVE THE REGIME ITSELF IS BEHIND THEM, REASONING THAT THE GOVERNMENT HOPES BY THIS MEANS TO DISCREDIT THE OPPOSITION WHILE AT THE SAME TIME PROVIDING JUSTIFICATION FOR GREATER REPRESSIVE MEASURES. THOUGH THIS EXPLANATION IS HIGHLY IMPROBABLE, THE FACT THAT SO MANY PEOPLE BELIEVE IT COULD INDICATE THAT THE REGIME'S POSITION IS INCREASINGLY PERCEIVED BY THE AVERAGE BURMESE AS RATHER DESPERATE.

IT SEEMS QUITE REASONABLE TO ASSUME THAT DISSIDENTS OF ALL KINDS HAVE BEEN HEARTENED BY THE COUP PLOT. HOWEVER, WE ARE SKEPTICAL OF THEIR ABILITY TO EXPLOIT THE SITUATION TO A SERIOUS DEGREE BY MOUNTING THE KIND OF SUSTAINED PRESSURE AGAINST THE REGIME WHICH WOULD CAUSE IT TO BE MORE REPRESSIVE THAN IT MIGHT OTHERWISE BE.

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THE PPP AND OTHER DISSIDENT GROUPS ARE MAJOR IRRITANTS TO THE GUB, BUT EXCEPT FOR THE BCP THEY LACK SUFFICIENT STRENGTH TO BE TAKEN SERIOUSLY AS THREATS TO THE REGIME'S SURVIVAL. IN THIS REGARD, NE WIN TOLD PROFESSOR TRAGER THAT HIS TROUBLES ARE MORE FROM THE LEFT THAN FROM THE

RIGHT.

C. ARREST OF THE BCP GROUP -- THE QUESTION HERE IS NOT WHY THE GUB ARRESTED THE MEMBERS OF THIS GROUP BY WHY IT CHOSE TO PUBLICIZE THEIR ARREST IN THE MANNER AND AT THE TIME IT DID. THE STORY MADE IT SEEM AS THOUGH THESE ARRESTS WERE SOMEHOW ASSOCIATED WITH THE REGIME'S REACTION TO THE PLOT, AND GAVE THE GROUP AN APPEARANCE OF IMPORTANCE WHICH IN REALITY IT PROBABLY LACKED. IF, AS SEEMS LIKELY, THE PUBLICITY ON THE ARRESTS WAS INTENDED TO EMPHASIZE THAT THE THREAT TO THE BURMESE WAY TO SOCIALISM COMES FROM THE LEFT AS WELL AS FROM THE RIGHT, BY MAKING THIS WELL-KNOWN POINT NOW, THE REGIME COULD BE TRYING TO COUNTER ARGUMENTS FROM THE RADICALS IN THE BSPP WHO SEEK IN THE COUP PLOT JUSTIFICATION FOR A LEFTWARD SHIFT IN GUB POLICIES. UNFORTUNATELY, SO FAR AS THE PUBLIC IS CONCERNED, THE ARRESTS MERELY REINFORCE THE IMPRESSION OF A REGIME BELEAGUED AND UNDER PRESSURE FROM ALL SIDES.

D. KYAW ZAW -- THE ADHERENCE TO THEIR CAUSE OF A WELL-KNOWN AND GENERALLY RESPECTED BURMESE LEADER IS AN IMPORTANT PSYCHOLOGICAL BOOST FOR THE COMMUNISTS. THE TIMING OF HIS DEFECTION MAY WELL HAVE BEEN RELATED TO THE COUP PLOT: HE DISAPPEARED ON JULY 18, AND HE MAY HAVE FELT THAT THE PLOT'S DEMONSTRATION OF DISAFFECTION WITHIN THE ARMY ENHANCED THE BCP'S PROSPECTS OF SUCCESS IN THEIR REVOLUTION SUFFICIENTLY TO MAKE IT PROPITIOUS FOR HIM TO THROW IN HIS LOT WITH THEM. ON THE OTHER HAND, AND PERHAPS MORE TO THE POINT, HE MAY ALSO HAVE FEARED IMMINENT ARREST: HIS SON WAS BEING SOUGHT AS A MEMBER OF THE BCP-ORIENTED GROUP DISCUSSED ABOVE, AND HIS REPORTED FREQUENT CONTACTS WITH OFFICERS OF THE CHINESE EMBASSY WERE PROBABLY FOR REASONS OTHER THAN SOCIAL.

ONE OF THE MOST INTERESTING ASPECTS OF KYAW ZAW'S LENGTHY
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AUGUST 10 STATEMENT ON THE BCP RADIO WAS THE HEAVY EMPHASIS HE PLACED ON THE COUNTRY'S ECONOMIC PLIGHT. THAT HIS MOTIVATIONS (AT LEAST AS PRESENTED IN HIS PUBLIC STATEMENT) AS WELL AS THOSE OF THE COUP PLOTTERS WERE TO A LARGE DEGREE ECONOMICALLY ORIENTED INDICATES THE GROWING GRAVITY WITH WHICH THE ECONOMY IS VIEWED BY BURMESE OF WIDELY DIFFERING POLITICAL PERSUASIONS.

WE DO NOT THINK, HOWEVER, THAT KYAW ZAW'S JOINING THE COMMUNISTS WILL SIGNIFICANTLY INCREASE BCP SUPPORT WITHIN THE ARMY OR AMONG THE PEOPLE IN GENERAL.

E. NE WIN-TRAGER TALKS -- OUR ANALYSIS OF NE WIN'S APPARENT DECISION TO MOVE TOWARD MORE PRAGMATIC ECONOMIC POLICIES IS SET FORTH IN REF C. IT IS ONLY NECESSARY HERE TO REPEAT THAT THE COUP PLOT, AND PERHAPS KYAW ZAW'S DEFECTION AS WELL, TEND TO GIVE VISIBLE POLITICAL CONTENT TO LONGSTANDING ECONOMIC DESPERATION, AND THUS COULD AT LAST PRODUCE MEANINGFUL REFORM AND LONG-TERM PROGRESS IF THE LEADERSHIP REACTS RATIONALLY.

F. NE WIN'S TRIP -- WE THUS FAR KNOW SO LITTLE ABOUT THE BACKGROUND AND PURPOSES OF NE WIN'S TRIP THAT WE ARE RELUCTANT TO SPECULATE ABOUT IT VERY MUCH. ALTHOUGH BY NO MEANS UNPRECEDENTED, IT SEEMS CURIOUS THAT THE PRESIDENT SHOULD LEAVE THE COUNTRY AT A TIME OF SO MUCH POLITICAL TURMOIL AND SO SOON AFTER HIS LAST TRIP. ONE HYPOTHESIS WHICH HAS BEEN SUGGESTED IS THAT NE WIN DESIRES TO BE ABSENT AT THE TIME THE COUP PLOTTERS ARE CONVICTED AND PERHAPS EXECUTED (THE TRIAL IS REPORTED TO BE SET FOR LATE AUGUST). HE MIGHT ALSO HOPE TO DEMONSTRATE BY HIS ABSENCE THAT THE REGIME IS NOT SO SHAKY AS IT MIGHT APPEAR. ON THE OTHER HAND, HIS MOTIVATIONS FOR THE TRIP COULD BE LARGELY APOLITICAL, PERHAPS MEDICAL. WE MAY HAVE A BETTER UNDERSTANDING OF THIS LATER.

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